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March 13, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: Application of Duke Energy Progress, LLC to Establish a New Cost Recovery and Incentive Mechanism for Demand-Side Management and Energy Efficiency Programs

Docket No. 2015-163-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed, and does not oppose, the request submitted by Duke Energy Progress, LLC ("DEP" or the "Company") in the above referenced Docket on February 23, 2018. The Company seeks approval from the Commission for modifications to its Nonresidential Smart \$aver® Energy Efficient Products and Assessment Program ("NSSEE") and its Nonresidential Smart \$aver® Performance Incentive Program ("SSP").

The modifications proposed for NSSEE include the removal of references to the potential qualification of Combined Heat and Power ("CHP") facilities for incentive payments, as CHP-related incentives are being transferred to SSP, and the addition of greater specificity with regard to the program's prescriptive and custom incentives.

The modifications proposed for SSP include the addition of CHP eligibility provisions providing that the energy efficiency associated with a newly constructed non-utility owned CHP system sited on a customer's premise will be eligible for consideration under the program and removing the phrase "no greater than 50%" from the payment section to allow known technologies greater certainty when applying for incentives.

Thank you for the opportunity to provide comments in this matter.

Sincerely,

Andrew M. Bateman

cc: All Parties of Record (via E-Mail)
Joseph Melchers, Esquire (via E-Mail)